MT LEGISLATIVE HISTORY

Chapter 257 1965

Bill H (2) S _____ Original bill & hist. ___C

H. Committee on State Administration			S. Committee on Public Lands		
Hearing Date(s)	Jan 26	✓C	Hearing Date(s)	Feb 16	✓C
	Feb 01	✓C		Feb 18	✓C
	_____	___C		_____	___C
	_____	___C		_____	___C
Date Out	Feb 01	✓C		Feb 23	✓C

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

Note: No minutes exist to document what action was taken between Feb 18 and Feb 23 in the Senate Committee.

Jan ab

Alex McDermott of the Montana Public Employees Assn. said this is not new legislation, that most state have such bills, even for life insurance. California pays $6, Idaho,$6, and Utah, $3; Wisconsin and Minnesota also have such a plan. We want each department to have its own choice.

Mr. Sather, a local insurance man, pointed out that he would like to see the bill pass because it would enable other companies to bid for the insurance business if the employer participated.

HOUSE BILL NO. 298

Rep. Margaret Scherf explained the institutions bill left the Montana Veterans Home in a cloudy condition so that there did not appear to be any assurance the home would remain in Columbia Falls. She pointed out the residents of the home preferred that location because of climate and altitude.

Mr. John Bonner, veteran and former governor, pointed out defects in the bill including the name of the home and the fact it did not include the air force. He suggested it be amended to correct this and favored the thought behind the legislation.

HOUSE BILLS 500 AND 499

Rep. Elmer Schye said the bills were intended to cover people who had been left out of Social Security and who wanted to be included.

Owen Morris of PERS explained the bill and said that school districts who had originally remained outside the retirement plan could not now get in without this legislation. He passed out an explanation, which is on file. Some teachers now have neither social security nor teachers retirement and they must belong to the retirement plan to come under social security.

HOUSE BILL NO. 387

Rep. Gordon Twedt said this is the third time such a bill has been introduced. The salary was $300 in 1947. The money for the salary comes out of the hail insurance premiums. He said he felt the increase was justified and is recommended by the Board. He called upon Lyle Standish, chairman of the Hail Insurance Commission who verified this. He said he handled $700,000 in a year, there are $950,000 in reserve funds and $300,000 uninvested.

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HOUSE BILL NO. 121

Rep. Francis Bardanouve explained each change in the law under this bill. He said the Attorney General's office had gone over it carefully. He said the bill was designed to protect the state. There was considerable discussion as to 81-919 and 81-915, some of the committee objecting to the proposed changes.

Mr. Bardanouve asked that Mr. Tidings be called in when the bill was taken up again.

The Chair stated that the above bills would be acted on at regular committee meetings. He requested subcommittees to work out changes.

The meeting adjourned at 10:30 a.m.

[illegible], Feb. 1, 1[illegible]

[illegible]

The question was raised as to how a repr[illegible] could be chosen. It was felt that spe[illegible] by the Fish and Game Director. On motion by McDo[illegible] Cummings, that House Bill 180 DO NOT PASS, and car[illegible]

[illegible] BILL NO. 108

There was a discussion as to the differences between [illegible] HB 131. It was pointed out that HB 131 would take two years [illegible] a program. This bill would set up an over-all system for all [illegible] want to participate. Under 108, the $5 state contribution to [illegible] would come out of salary increases. The employees understand [illegible] pointed out. McCalman moved, Johnson seconded that House Bill 108 [illegible] The motion carried.

[illegible] BILL NO. 121

Mr. Cummings reported that Mons Teigen's objections to the bill were not now as serious. A motion was made by McNamer, seconded by Cummings, that House Bill 121 DO PASS. Motion carried.

[illegible] BILL NO. 136

Mr. McCalman said the present law definitely states that the Land Commissioner is responsible to the Board. It was also stated that the Commissioner does not consult with the Board and that they never know what his budget is. The investment bill would have no affect on this bill. A motion was made by Bardanouve, seconded by Cummings, that House Bill 136 DO PASS. Motion carried.

[illegible] BILL NO. 387

After some discussion it was decided to amend the bill, reducing the salary asked to $575. A motion was then made by Johnson, seconded by McCalman, that House Bill 387, AS AMENDED DO PASS. Carried.

[illegible] BILL NO. 151

There was some objection to two different mileage rates being paid, and the complications that would arise. A motion was made by Zimmer, seconded by Garrison, that House Bill 151 DO NOT PASS. Mr. Johnson voted Nay. The motion carried.

[illegible] BILL NO. 197

It was pointed out that this bill would have no bearing on the provisions of House Bill 3 on state investments. This bill [illegible]

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SENATE COMMITTEE
on
PUBLIC LANDS

February 16, 1965

The seventh meeting of the Committee on Public Lands was held in Room 401, at 1:00 p.m., on Tuesday February 16, 1965. The meeting was called to order by ViceChairman Jensen and the roll was taken with a quorum present.

H.B. 121 - Representative Bardanouve spoke on the bill at some length. Several questions were put to Bardanouve. With no further questions Jensen excused Bardanouve.

H.B. 136 - Representative O'Hair - proponent of the bill spoke to the members of the committee. Questions were put to him. Senator Rieder spoke on H.B. 136 also as a proponent. With no further questions Jensen excused O'Hair and Reider. Senator Mathers said that he himself was opposed to H.B. 136. Killenbeck also said that he was opposed, Brownfield was opposed also. Senator Siderius moved that H.B. 136 Be Concurred In - O'Neill Seconded the motion. Brownfield made a substitute motion to pass consideration for the day, Mathers seconded the motion and the motion carried.

H.B. 121 - Senator Killenbeck said that maybe the committee should hear Mons Tiegen from the Land Board. Killenbeck then moved that the committee pass consideration until another meeting.

Senator Mathers moved the meeting be adjourned. The motion was seconded and the motion carried.

SENATE COMMITTEE
ON
PUBLIC LANDS

February 18, 1965

The eighth meeting of the Committee on Public Lands was held in Room 401, at 1:00 p.m., on Thursday February 18, 1965. The meeting was called to order by Chairman Keller and the roll was taken with a quorum present.

H.B. 136 - Senator Mathers moved that H.B. 136 Be Not Concurred In. Brownfield seconded the motion and the motion carried. Siderius moved for a minority report.

H.B. 121 - Discussion was held by the members of the committee. Senator Gerard moved to amend H.B. 121 by deleting in Section 7, Page 9, lines 18 through 21 all the words following the word and punctuation "lands." Mathers moved that H.B. 121 be placed in the hands of a sub-committee for further study. Brownfield seconded the motion and the motion carried. Keller appointed the sub-committee as follows: Mathers, Brownfield.

Senator O'Neill said that he would sign a minority report on H.B. 136 if Senator Siderius should make one.

Senator O'Neill moved for adjournment. The motion was seconded and the motion carried.

W. Keller - Chairman

F bruary 23, , 19 65

R. PRESIDENT:

We, your Committee on Public Lands

ving had under consideration House Bill No. 121

LL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTIONS 81-304, 81-402, 13, 81-421, 81-502, 81-802, 81-803, 81-815 AND 81-914, R.C.M. 1947, VIDING FOR THE EXCHANGE OF STATE LANDS AND THE VALIDATION OF PRIOR NS OF THE STATE BOARD OF LAND COMMISSIONERS; PROVIDING THE COMMIS- ER OF STATE LANDS MAY AUTHORIZE A LEASE ON A BASIS OTHER THAN CROP E IN CERTAIN CASES; PROVIDING FOR THE DETERMINATION BY THE COMMIS- ER OF STATE LANDS OF THE HIGHEST AND BEST USE OF CERTAIN LANDS, SUBMENTS BY LESSEE ON STATE LANDS, THE TERMS AND RENEWAL OF COAL NS LEASES OF STATE LANDS, GRANTING OF EASEMENTS IN STATE LANDS, S IN SALE OF STATE LANDS, STATE LANDS NOT SUBJECT TO SALE, AND LLMENT FOR IMPROVEMENTS BY LESSEE ON STATE LANDS SOLD; REPEALING TIONS 81-417, 81-432, 81-433, AND 81-435, R.C.M. 1947."

spectfully report as follows: That House Bill No. 121

mended as follows:

d the original bill, Section 7, page 8 after the word and punc- ion "lands." by striking in their entirety lines 29 and 30 and s 1 and 2 of page 9, being Section 7, page 8, lines 19, 1:, 20, 21, of the printed bill.

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as to have become what is commonly known as 'second hand' within the ordinary meaning thereof.

"Manufacturer."

k. The term 'manufacturer' shall include any person, firm, corporation or association engaged in the manufacture of any motor vehicles, trailers, or semitrailers as a regular business. *Dealer shall deliver, under oath, a notarized certificate with any used motor vehicle, stating the full name and last known address of the previous owner of said motor vehicle, and state where the motor vehicle* was last *registered.*"

Repealing clause.

Section 5. Section 53-138, R. C. M. 1947, is repealed.

Severability clause.

Section 6. If any clause, sentence, paragraph or part of this act shall be adjudged by any court of competent jurisdiction to be invalid or inoperative, such judgment shall not affect, impair or invalidate the remainder of this act but shall be confined in its operation to the clause, sentence, paragraph or part directly adjudged to be invalid or inoperative.

Repealing clause.

Section 7. All acts or parts of acts in conflict herewith are hereby repealed.

Approved March 9, 1965.

CHAPTER 257

An Act to Amend Sections 81-304, 81-402, 81-413, 81-421, 81-502, 81-802, 81-903, 81-915 and 81-919, R. C. M. 1947, Providing for the Exchange of State Lands and the Validation of Prior Action of the State Board of Land Commissioners; Providing the Commissioner of State State Lands May Authorize a Lease on a Basis Other Than Crop Share in Certain Cases; Providing for the Determination by the Commissioner of State Lands of the Highest and Best Use of Certain Lands, Improvements by Lessee on State Lands, the Terms and Renewal of Coal Mining Leases of State Lands, Granting of Easements in State Lands, Terms in Sale of State Lands, State Lands Not Subject to Sale, and Settlement for Improvements by Lessee on State Lands Sold; Repealing Sections 81-417, 81-432, 81-433.1, and 81-435, R. C. M. 1947.

Be it enacted by the Legislative Assembly of the State of Montana:

Amending clause.

Section 1. Section 81-304, R. C. M. 1947, is amended to read as follows:

State board of land commissioners authorized to contract with United States—criteria.

"81-304. The state board of land commissioners of the state of Montana is hereby authorized and empowered to enter into contracts or agreements with the United States, or any department thereof having jurisdiction for the waiving and relinquishment to the United States of any and all rights of the state of Montana in and to sections sixteen (16) and thirty-six (36) of any township and to any other sections of state lands, provided that the state of Montana shall in lieu of the rights so waived and relinquished receive from the United States other lands of equal or greater value. *The amount of state land relinquished under this section in any one year shall not exceed six sections.*

Limitation.

Exchange of state land for that of a county.

The state board of land commissioners of the state of Montana is hereby authorized to accept on behalf of the state of Montana title in fee simple to any land owned by a county in the state of Montana and to convey in exchange therefor state owned land of approximately the same area and of a value not higher than the land received from the county whenever such exchange will result in consolidating the state owned lands into more compact bodies.

Ratification clause—contracts with United States.

All contracts and agreements heretofore entered into between the state board of land commissioners and the United States, or any department thereof, waiving and relinquishing the rights of the state of Montana to sections sixteen (16) and thirty-six (36) in any township in this state, and the selection of lands in lieu or those so relinquished by the state are hereby ratified, confirmed and validated. *The land received from the United States, under this provision, must be located in the same county as the relinquished lands, and the present lessees or permittees must be recognized for the continuance of their use of the land on such terms as may be required by the respective agencies.*"

Amending clause.

Section 2. Section 81-402, R. C. M. 1947, is amended to read as follows:

Commissioner shall lease lands open to grazing.

"81-402. (1) Under the general direction and control of the state board of land commissioners, the commission-

er shall lease all agricultural and grazing lands and all town and city lots open to leasing upon proper application, provided that, as to agricultural lands, all leases shall be continued or made upon a crop share rental basis of not less than one-four (¼) of the annual crops to the state, or the usual landlord's share prevailing in the district, whichever is greater.

Rental basis.

Rental basis—other than crop share.

(2) In unusual cases the *commissioner* may authorize a lease upon other basis than crop share, but in all such unusual cases the *rental shall at least equal the value of the usual landlord's share prevailing in the district, and the commissioner* shall set forth in the *records* the unusual conditions of the case and the rental to be charged.

Rental rate—terms.

(3) The rental rate for all state grazing lands leased and to be leased shall be based upon the appraised animal-unit-month carrying capacity of the land as provided in section 81-433, R. C. M. 1947, as amended, and provided further that, as to town and city lots owned by the state, the fair rental value thereof shall be determined from time to time under the direction of the commissioner and with the approval of the state board of land commissioners and record made thereof, and such town or city property may be leased at its current appraised rental value for terms of not to exceed five (5) years.

Condition to lease.

(4) All leases of agricultural or grazing lands, or town or city lots shall be upon condition that the state board of land commissioners may in its discretion, offer said land for sale at any regular public sale of state lands held in the county where the land is situated, upon the same terms, and in the same manner as land not under lease."

Amending clause.

Section 3. Section 81-413, R. C. M. 1947, is amended to read as follows:

Lands to be leased in compact tracts.

"81-413. All lands are to be leased in as compact bodies as possible and care shall be taken not to separate parts of any section from the section lines or public highways or from any available water supply, or in such form as to make it more difficult to lease the remaining state lands in the section in which they are located. In case there are applications or bids for renting certain land for grazing purposes and also applications or bids for renting the same land for agricultural purposes, *an inspection of the*

Determination of rental for grazing or agricultural purposes.

land shall be made by the commissioner or his field agent at the earliest practical opportunity and determination made, based on his findings, of the highest and best use which can be made of the land or portions thereof, and any lease of said land entered into subsequent to such applications or bids shall be such as to return to the state revenue commensurate with such highest and best use."

Amending clause.

Section 4. Section 81-421, R. C. M. 1947, is amended to read as follows:

Improvements by lessee.

"81-421. A lessee of state lands shall have the right to place upon the lands leased by him, *a reasonable amount of improvements directly related to conservation of the land or necessary for proper utilization of the land* which improvements may consist of fences, cultivation and improvement of the land itself, irrigation ditches, sheds, wells and reservoirs, and similar improvements. Whenever another person becomes the lessee of such lands, he shall pay to the former lessee the reasonable value of such improvments at the time the new lessee takes possession thereof. Provided, however, that if any of the improvements consists of breaking (meaning the original plowing of the land), and one (1) years crops have been raised on the land after the breaking thereof, the compensation for such breaking shall not exceed the sum of two dollars and fifty cents ($2.50) per acre, and that in case two (2) or more crops have been raised on the land after the breaking thereof, then in such case the breaking shall not be considered as an improvement to the land. In case of the former lessee and the new lessee are unable to agree on the reasonable value of such improvements, then such value shall be ascertained and fixed as provided in this act.

Payment for improvements by subsequent lessee.

Compensation—breaking.

Determination of improvement values.

In determining the value of these improvements consideration shall be given not only to the original cost but also to the present condition thereof and to their suitableness for the uses ordinarily made of the lands on which they are located, and also to the general state of cultivation of the land, its productive capacity as effected by former use and also to its condition with reference to noxious weeds whether it is infested with such weeds or free from these pests. Consideration shall be given to all actual improvements and to all known effects that the use and occupancy of the land have had upon its

productive capacity and desirableness for the new lessee. The former lessee may, however, remove or dispose of the movable improvements on the land to other parties than the lessee; but if he fails to remove such improvements from the land within sixty (60) days from the date of the expiration of his lease, then all of such improvements shall become the property of the state unless the commissioner for good cause shown shall grant additional time for the removal thereof. Before a lease is issued to the new lessee he shall show that he has paid the former lessee the value of the improvements as agreed upon by them or as fixed and determined under the provisions of section 81-406 or that he has offered to pay the value of such improvements as so fixed and determined or that the former lessee elects to remove the improvements.

Failure to remove improvements.

New lessee to show payment for improvements.

Amending clause.

Section 5. Section 81-502, R. C. M. 1947, is amended to read as follows:

Coal mining lease not to exceed 10 years—form—fee.

"81-502. *No coal mining lease shall be issued for a longer term than ten (10) years, but the board may establish such rules and regulations for the renewal of a lease at the expiration of the term as it may deem proper and necessary.* The board shall prescribe the form of the lease; the fee for issuing the lease and approving the bond hereinafter provided shall be two dollars and fifty cents ($2.50) payable to the commissioner."

Amending clause.

Section 6. Section 81-802, R. C. M. 1947, is amended to read as follows:

State board of land commissioners authorized to grant easements in state lands for public uses.

"81-802. The state board of land commissioners is hereby authorized and empowered to grant easements in state lands for school house sites and grounds, for public parks, community buildings, cemeteries and other public uses upon proper applications accompanied by accurate and duly verified plats from the lawfully constituted authorities having charge of such properties."

Amending clause.

Section 7. Section 81-903, R. C. M. 1947, is amended to read as follows:

Reservation from sale from state lands bordering lakes and streams.

"81-903. There is also reserved from sale from all state lands bordering on navigable lakes or bordering on non-navigable meandered lakes and from all state lands bordering on navigable streams, *as the board may deem in the best interests of the state,* a strip of land which shall include all the land lying between low-water mark and high-

water mark and which in addition shall extend in width landward from the line of high-water mark of such lake or stream the full width of the forty (40) acre tract or government lot abutting the line of high-water mark; provided, however, that if the width of such abutting government lot at its narrowest point is less than one hundred (100) feet, then the strip hereby reserved shall extend to and include the next adjoining forty (40) acre tract or government lot. The land reserved from sale by this section shall be subject to the granting of easements the same as other state lands.

Certain land may be surveyed and platted.

The state board of land commissioners may in its discretion cause any part of the lands bordering on such lakes and on navigable streams which are hereby reserved from sale to be surveyed and platted into blocks and lots, the lots to be not less than one hundred and twenty-five feet (125) in width, the width to be measured in the general direction of the abutting water front; but in all such surveys and plats the aforesaid strip of one hundred (100) feet in width along the water front shall be reserved for the use and enjoyment of the public.

Leasing.

Such strips of land bordering on meandering lakes or on navigable streams, except the strip lying between low-water and high-water mark, whether surveyed and platted into blocks and lots or not, may, however, be leased as provided in this act for the leasing of other state lands."

Amending clause.

Section 8. Section 81-915, R. C. M. 1947, is amended to read as follows:

Purchaser of state land—minimum amount on day of sale.

"81-915. Every purchaser of state land shall pay on the day of sale such portion of the purchase price as he may desire but in no case less than ten per centum (10%) of the total sales price, and in case the balance on the purchase price is not an exact multiple of twenty-five dollars ($25.00), then he shall pay such additional sum as is necessary to reduce the balance to an even multiple of twenty-five dollars ($25.00); he shall also in all cases pay the sum of five dollars ($5.00) as a fee for each certificate of purchase to be issued to him.

Balance of purchase price—interest—amortization plan.

The balance of the purchase price shall draw interest at the rate of five per centum (5%) per annum, payable annually, and the balance of the purchase price itself shall be payable through a period of thirty-three (33) years on

the amortization plan, which is hereby defined as being that plan under which part of the principal is required to be paid each time interest becomes due and payable, and under which this part payment on the principal increases at each succeeding installment in the same amount that the interest payment decreases so that the combined amount due on principal and interest on each due date remains the same until the loan or bond is paid in full; provided, however, that the amount of the last installment may vary from the other installments to the extent resulting from disregarding fractional cents in the previous installments; provided, however, that the balance of the purchase price on town and city lots shall be payable on the amortization plan through a period of twenty (20) years; and provided further that the board may at any time fix a shorter period than twenty (20) years for the payment of such balance on town and city lots, and different periods of time may be established for different towns and cities as the best interest of the state may appear to demand."

Amending clause.

Section 9. Section 81-919, R. C. M. 1947, is amended to read as follows:

Settlement with lessee by purchaser.

"81-919. Whenever any state land has been sold on which there are improvements belonging to a lessee, and some other person than such lessee becomes the purchaser he shall be required to make settlement with such lessee for all improvements on the land belonging to the lessee before the issuing of the certificate of purchase. All provisions of this act relating to the payment and settlement for improvements on state lands between a former lessee and a new lessee shall apply to the settlement between a lessee and the purchaser. *If settlement is not reached within six (6) months of date of sale all improvements become property of the state unless the commissioner for good cause shown grants both parties additional time in which to exhaust arbitration.*"

Repealing clause.

Section 10. Sections 81-417, 81-432, 81-433.1, and 81-435, R. C. M. 1947, are repealed.

Approved March 9, 1965.

CHAPTER 258

An Act to Prevent Unfair Competition and Unfair Trade Practices in the Sale of Cigarettes; to Prohibit Sales

of Cigarettes Below Cost; to Protect and Stabilize the Collection of Taxes on the Sale of Cigarettes and Revenues From the Licensing of Persons Engaged in the Sale of Cigarettes; to Confer Powers and Impose Duties on the State Board of Equalization and on Persons, as Herein Defined, Engaged in the Sale of Cigarettes at Retail or Wholesale; and Providing Remedies and Imposing Penalties For Violations Thereof.

Be it enacted by the Legislative Assembly of the State of Montana:

Stabilization of the sale of cigarettes; maximize and protect the state revenues from this source.

Declaration of policy. It is hereby declared that the advertising, offering for sale or sale of cigarettes below cost, in the retail and wholesale trades, with the intent of injuring competitors or lessening competition, is an unfair and deceptive business practice. It is hereby declared to be the policy of the state to promote the public welfare and it is the purpose of this act to carry out that policy in the public interest and stabilize the sale of cigarettes, maximize and protect the state revenues from this source.

"The Montana Cigarette Sales Act."

Section 1. **Short title.** This act shall be known, designated and cited as "The Montana cigarette sales act".

Definitions.

Section 2. **Definitions.** When used in this act, the following words and phrases shall have the meaning aseribed to them in this section, except where the context clearly indicates a different meaning: (1) "Person" shall mean and include any individual, firm, association, company, partnership, corporation for profit or nonprofit corporation, joint stock company, club, agency, syndicate, cooperative, municipal corporation or other political subdivision of this state, trust, receiver, trustee, fiduciary and conservator.

"Person."

"Wholesaler."

(2) "Wholesaler" shall include any person who:

(a) purchases cigarettes directly from the manufacturer; or

(b) purchases cigarettes from any other person who purchases from the manufacturer and who acquires such cigarettes solely for the purpose of bona fide resale to retail dealers; or

(c) services retail outlets by the maintenance of an established place of business for the purchase of ciga-